

Message Text

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15/10

ACTION EA-10

INFO OCT-01 ISO-00 XMB-02 OPIC-03 AID-05 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 TRSE-00 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 SSO-00 INRE-00 /047 W

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FM AMEMBASSY MANILA

TO SECSTATE WASHDC IMMEDIATE 0621

LIMITED OFFICIAL USE MANILA 2005

C O R R E C T E D C O P Y (CORRECT REF A TO READ MANILA 1235
VICE 411)

PASS EXIM

E.O. 11652: NA

TAGS: EFIN, RP

SUBJECT: MARINDUQUE NICKEL EXIM GUARANTEE

REF: A. MANILA 1235 B. STATE 25602

1. IN LETTER DATED FEBRUARY 13 DEVELOPMENT BANK OF PHILIPPINES
OFFICIAL HAS INFORMED MARINDUQUE THAT DBP BOARD OF GOVERNORS
HAS APPROVED:

A. DBP GUARANTEE FOR THE \$12,500,000LOAN TO
BE MADE AVAILABLE BY FIRST NATIONAL CITY BANK
AND MANUFACTURERS HANOVER TRUST CO. TO MMIC,
THIS TO BE PAYABLE IN SIX SEMI-ANNUAL INSTALLMENTS
WITH A 2-YEAR GRACE PERIOD AS TO PRINCIPAL AT AN
INTEREST RATE OF 2 PERCENT ABOVE 180 DAY-LIBO RATE.

B. REINSTATEMENT OF THE DBP GUARANTEE FOR THE
\$15 MILLION LOAN EXTENDED BY MANUFACTURERS
HANOVER TRUST CO.; AND

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C. DBP GUARANTEE FOR THE \$6,500,000 LOAN TO
BE EXTENDED BY MARUBENI CORPORATION TO MMIC,
THE PROCEEDS TO BE UTILIZED TO REPAY THE 1975 PRINCIPAL
INSTALLMENTS ON KOBE STEEL LTD.'S
LOAN TO MMIC. THIS GUARANTEE IS TO BE ISSUED
IN FAVOR OF MARUBENI'S ASSIGNEE-BANK.

ACCORDING MARINDUQUE OFFICIAL THESE GUARANTEES RAISED TOTAL
VALUE OF DBP GUARANTEES TO \$90 MILLION LEGAL LIMIT ON
DBP GUARANTEES TO SINGLE BORROWER. EMBASSY POUCHING COPY
OF DBP LETTER TO EXIM.

2. MARINDUQUE OFFICIAL STATES GOP NOT PREPARED PROVIDE
GUARANTEE FOR PAYMENT OF DEFERRED AMOUNT (\$4.5 MILLION REPRESENTING
1975 QUARTERLY PAYMENTS) BUT HAS AGREED TO DEFER ROYALTY
PAYMENTS AS SUGGESTED PARAGRAPH 1C OF REFTEL B.
ACCORDING MARINDUQUE SOURCES PHILIPPINE FINANCE SECRETARY
VIRATA HAS SENT TELEX TO EXIM CONFIRMING GOP WILLINGNESS
DEFER ROYALTY PAYMENTS UNTIL AT LEAST DECEMBER 31, 1979.
SULLIVAN

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
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Concepts: NICKEL, BANK LOANS, INDUSTRIAL PLANTS, DEBT AGREEMENTS, DEVELOPMENT LOANS
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Draft Date: 14 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
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Drafter: n/a
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Review Action: RELEASED, APPROVED
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Review Comment: n/a
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Margaret P. Grafeld
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05 JUL 2006

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TAGS: EFIN, RP, MARINDUQUE MINING & IND CORP, XMB
To: STATE
Type: TE
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